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News Section

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The Private Life of Mr. Dulles: Troubles unknown to the public afflict the Secretary of State these days and cast shadows over his future and that of American foreign policy. These vexations raise the question as to who actually shapes that policy and whether Mr. Dulles will continue to hold his post.

One incident — to which the higher echelons of the Department and the White House alone are privy — lights up this situation. Mr. Dulles, in order to check the growing peril of war between Israel and Egypt, last week broadcast an appeal to the Middle East countries to compose their differences and cooperate on a plan, entailing compromises by the angry parties. As a solemn warning of the sinister forces at work in that area, Dulles indicated that Soviet Russia was interfering by supplying arms to one side — the Arab states. No one familiar with what is going on there doubts the truth of Dulles' remark.

However, one consequence of the remark was a behind-the-scenes attack on Dulles because he violated the White House desire that nothing should be said to offend Moscow and to impair the "peace" atmosphere created by the Geneva Conference. The attack came from what, in Washington, is known as the "other State Department" — meaning the group composed of Milton Eisenhower (now back in this country after a trip to Europe), Nelson Rockefeller and Harold Stassen.

It is believed along diplomatic row that this group (buttressed at times by several others, including John J. McCloy and Paul Hoffman) often opposes policies advanced by Dulles and his State Department advisers, and at times influences the President to take contrary steps. One celebrated move by the group was the introduction of Krishna Menon — international fellow-traveller — into the White House after Dulles had purposely snubbed

him. Menon, the right-hand man of anti-American Nehru of India, is credited with no little success in working for European neutralism and the undermining of American attempts to deal firmly with the Soviet Union. (See the HUMAN EVENTS news item about this in the issue of August 13.)

Nor is that all. Such privately-circulated criticism, in White House corridors, of the Dulles "anti-Moscow" remark is believed to be part of a strategy to oust the Secretary of State before many months. Knowledge of this plan has worried various circles in the Capital. (1) Diplomats here believe that such a charge would have a bad effect on Germany — now coming to grips with its problem of relations with Soviet Russia. It is reported that Adenauer, "Mr. Germany," looks on Dulles with great favor as a friend of his country. Some reports from Bonn claim that Dulles' prestige in West Germany is greater than that of President Eisenhower. News of the cabal against Dulles would harm our standing there.

(2) Also, in GOP political circles, trouble is expected if one of the leaders of the "other State Department" is cast as Dulles potential successor. The man mentioned now is Nelson Rockefeller, once a big wheel in the Roosevelt-Truman New Deal setup and therefore unpopular in the conservative wing of the Republican Party whose attitude in 1956 still remains a question.

Finally, such attacks shake the morale of the Secretary of State at a time when he must grapple with many problems (note the serious Turkey-Greece-Cyprus flare-up, as well as the Israeli-Egypt situation). Around the Department, it was observed that following the uproar over Dulles' remark about the Russians in the Middle East, the harassed Secretary took off for a rest in his vacation place in Canada.

News From Oregon: Reliable sources in Portland say that Mrs. Richard Neuberger, brilliant young wife of the junior Senator from Oregon, is extremely interested in running in the Democratic Senatorial primary next fall against Senator Wayne Morse (now officially a Democrat). Mrs. Neuberger, who is a real, life-long Democrat, is said to feel that this would be a chance to become a member of the first husband-and-wife team in the U.S. Senate.

Farm Revolt: GOP politicians at Denver are privately apprehensive about the rural vote. Within the last month, GOP concern has been rising as farm prices were falling. In the month ending July 15, there was registered a 2½ percent drop in prices the farmer received for his products; in the month of August the prices dropped 2 percent more. These figures are part of an overall 6 percent drop within the last year. Livestock prices have also fallen about 8 percent in the same period. Meanwhile, farm costs have shown no such reduction. And farm surpluses have mounted to over \$7 billions.

The result has been some recent evidences of discontent in agricultural areas of the North (the South seems to have fared better). Naturally — and probably unjustly — the Administration's flexible price support program receives increasing blame. The Democratic Party's advocacy of high fixed supports takes on a more attractive guise for the rurals — and so does the Democratic Party. Dopesters here predict that ere long a clamor will again arise for the ousting of Secretary of Agriculture Ezra Benson, courageous fighter for the flexible support program. Democrats are reportedly preparing a campaign in rural areas to exploit this situation.

Tax Cut: The President's present attitude toward a tax cut next year is the clinching evidence to the Washington press corps that he wants a second term.

Until recently, the President has given weight to the advice of his Council of Economic Advisers on the subject of tax cuts. Council members favor cuts that will stimulate investment (production) rather than consumption. They see symptoms that

"the money supply is exceeding the supply of goods and services at current prices," a condition that spells inflation. The remedy is increased production which requires increased investment. The economists would like a cut made in the corporation tax rate — which now is 52 percent as compared with the World War II peak of 40 percent and the postwar rate of 38 percent.

However, the President is becoming sensitive to the continuous ADA-CIO-New Deal barrage that his is a "Big Business Administration." He would like to answer it with tax cuts favoring "little people." During the last session, the Democrats put forward a credit of \$20 per taxpayer; the Administration is looking for something with the same kind of appeal, perhaps a cut in exemptions of \$100 per taxpayer and dependent.

The opportunity to reduce corporation taxes existed when the GOP came into office, but Republican leaders lost it by their ineptitude. Truman's excess profits tax law provided that that uneconomic tax — whose only justification was political expediency — was to expire automatically on July 1, 1953 and his 52 percent corporation rate was automatically to be reduced to 47 percent on April 1, 1954.

However, when the Republicans came into office after 20 years in the wilderness, their leaders — who invariably lose when they seek to outwit the New Dealers — were obsessed with the notion that the automatic clauses must not be allowed to go into effect or the Democrats could claim credit.

The Administration also wanted time to determine where the drastic cuts in federal expenditures promised the voters could be made without offending any benefitted pressure blocs. So the President asked for and got the extension of these taxes. However, when the time came for the repeal of the excess profits tax, the Democrats jumped in, demanded and got compensating cuts for low-income brackets. Nevertheless, they still derided the tax cut as a "rich man's law."

Since the change in the President's position, Washington tax counselors are advising their clients not to expect any cut in corporation rates for an indefinite period.

Harry Dexter White: The Eastland Internal Security Subcommittee has just held a sensational hearing in New Hampshire on the private life and opinions of Harry Dexter White, former Assistant Secretary of the Treasury under Roosevelt and Truman, shaper of American financial and foreign policies in that era. White died suddenly under unexplained circumstances in 1948 shortly after a House committee aired charges that he was a Soviet agent. An attempt by Attorney General Brownell, FBI director J. Edgar Hoover and Senator Jenner in 1953 to fully bring out the facts about White's subversion was smothered. New Hampshire State authorities requisitioned White's private papers recently and made them available to Senator Eastland's committee. Wire-service and published newspaper reports on the Eastland hearing were mostly incomplete — and we offer some highlights brought back from New Hampshire by some present.

(1) White's warm admiration and close relationship for Henry Wallace appear in copies of White's correspondence. When White was accused of being a Soviet agent, he denied such charges. He also sought to give the impression that he was virtually a conservative. But, letters and other data show his admiration of Wallace and encouraging words for the latter's ambition to be a world leader. Wallace's bid for the Presidency in 1948 was under the label of the Progressive Party, which was sponsored by the Communists. Data in the White files suggests that the Treasury official would have been offered the cabinet post of Secretary of Treasury had the Wallace presidential fight succeeded.

(2) The files contain a letter from White to Truman in 1946 urging the latter not to start an atomic race with the Soviet Union.

(3) A draft of the "Morgenthau" plan for the de-industrialization of Germany. For a long time, White — it has been said — was the real author of the famous "Morgenthau Plan."

(4) A mass of records on phone calls, diaries and other data which promise leads to important persons hitherto not mentioned. These remain to be analyzed and developed by the Eastland committee.

"Silly Season" on Internal Security: The Washington press, while glossing over such stories as the above on Harry Dexter White, gave headlines to Democratic congressional committees probing injustice in enforcement of security in government. Yet, Democratic leaders are reportedly worried over this hullabaloo — lest it react against them.

Fact is that no one questions that the security system is far from perfect and works some injustices. Very early in the game, it was charged that the system, set up then by the Truman Administration, contained grave defects. Some anti-Communists have claimed that these defects were purposely created in order to sabotage real security and the elimination of subversives from government.

Now, the opinion is that while the probe may uncover some real cases of injustice, it may also boomerang on the Democratic leaders for the following reason. Among the innocent crying for rehabilitation, some real Communists and subversives may seek a white-wash. The latter cases, if properly exposed, could discredit the whole affair. See the *Daily Worker's* extravagant praise of the probers. The Communist Party, one of the main forces behind the investigations, wants no security at all.

Some Democrats are concerned lest the investigation give them an appearance of appeasing left-wingers in government. It was noted that Democratic leaders were not unhappy when the left-wing Americans for Democratic Action assailed the direction of the probe as "kid-glove stuff." The Whaley-Eaton letter (September 2) referring to "disclosures of injustice" reports that "Washington observers doubt the public will find cause for a general indictment of the Administration's program. If laxity had been uncovered, however, there would be fireworks aplenty."

Labor Front: Unions may engage in unfair labor practices against their own employees, the NLRB has ruled. The 3-2 ruling brought sharp complaint from the dissenting minority who said that "employers will no doubt be astonished to learn"

that unions are free to engage in the same conduct forbidden to employers.

The two dissenters said they believe the decision achieves a paradoxical and unwarranted result in permitting unions to deny to their own employees the very rights and privileges which unions have so vigorously advocated and won for employees of others. Labor unions are now free to flout the very statutory provisions which they ardently champion and which have been hailed as the "Magna Charta of Labor."

The case involved a wide variety of Taft-Hartley charges against an AFL teamsters union in Portland, Oregon, in its relations with its own office employees, with whose union the teamsters union refused to deal. The majority argued that the Taft-Hartley Act exempts labor unions as "non-profit organizations;" the minority challenged the majority to find any such exemption "when unions act as employers."

This issue will soon come before NLRB again. The International Typographical Union started several newspapers in competition with dailies refusing to meet ITU demands. These ITU-subsidized newspapers have refused to recognize the reporters-and-office-workers-union, the Newspaper Guild. The Guild is on the verge of open warfare with the printers over the issue.

● In the deadly competition between labor leaders, Reuther thinks he has topped his contemporaries with a package deal from Allis-Chalmers which over a three-year period will be worth 24 cents an hour to the union members. This contract now becomes a lever to get a still better deal from the next employers facing UAW negotiations. John L. Lewis let himself go in a TV press conference Sunday, September 4, when he confirmed his previous statement that he considered Reuther a "pseudo-intellectual nitwit."

Notes: Testimonial dinner for Senator William E. Jenner of Indiana, to be given under the joint auspices of the Wall Street Post of the American Legion and United Americans Against Communism, on September 23, at 7 p.m., at the Henry Hudson Hotel, New York City. Speakers besides the Senator will include Professor Godfrey P. Schmidt and Rabbi Benjamin Schultz. Tickets at \$7.50 per person, United Americans, P.O. Box 16, New York 5, N. Y.

● Special attention is drawn to a broadcast by Dean Clarence E. Manion, of August 28, entitled "A Second Political Party is in Order," over the Mutual Broadcasting System. Copies available at 10 cents each from the Manion Forum of Opinion, South Bend, Indiana.

● New publication on the treaty law fight by Frank E. Holman, Hoge Building, Seattle, Wash., entitled "Separate Statement on Present Status of the Bricker Amendment, August 1955."

● "The Key to the Constitution of the United States," a 67-page booklet published by Patriotic Education, Penobscot Building, Detroit 26, Michigan, explaining graphically with maps and illustrations, the history and purposes of the Constitution. The booklet has been particularly used by the American Legion for distribution to student and study groups.

Letter from BILL CUNNINGHAM, Radio Commentator and Boston Herald Columnist: "I have quoted in articles, broadcasts, etc. — on even the most controversial subjects — facts, statements and interpretations published in HUMAN EVENTS, but ignored or emasculated elsewhere. Never once has such a fact or statement been successfully challenged, and I work in a climate of challenge. Thus, along with the rest, HUMAN EVENTS is dependable. As a worker in the same field, I can think of no higher compliment."

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Article Section

WHAT PRICE ELECTIONS!

The Israeli - Arab Crisis and American Politics

By ALFRED M. LILIENTHAL

THE late date fixed by the Republican Party for its 1956 Convention has deterred neither ambitious aspirants nor pressure groups from starting their maneuverings early. In the lexicon of the Zionist movement, "political campaign" is synonymous with "never ending."

The supporters of Israel had introduced the Israeli-Arab conflict into the 1954 Congressional campaign and had waged an intensive battle to bring about a reversal of present United States policy. All candidates for both the Senate and the House were polled on their views as to U.S. arms aid to the Arab states. These prospective members of Congress were asked to sign a policy declaration asserting opposition to any such arms aid unless a peace settlement with Israel was negotiated by the Arab states and the boycott-blockade of Israel was abandoned. While this declaration was submitted to candidates from both parties, the Zionist spleen was being vented on the Eisenhower-Dulles new Middle Eastern "look" of impartiality, which was being implemented by furnishing arms to Iraq and economic aid to Egypt.

The approach to Congressional candidates in 1954 was supplemented by a personal call at the State Department by representatives of 16 Jewish organizations, immediately upon the return of Secretary

Dulles from the successful North Atlantic Treaty Council meeting in Paris.

On the Israeli side, Ambassador Abba S. Eben had been making a continual pilgrimage to the State Department, interrupted only by his trip to Tel Aviv to report to his government. He called on Mr. Dulles, August 4, 1954; on General Walter Bedell Smith, who was then Under Secretary of State, on August 5; and again on Mr. Dulles, August 7. He met with the Secretary, September 15; with John D. Jernegan, Acting Assistant Secretary for Near Eastern, South Asian and African Affairs, September 24; with Robert D. Murphy, Deputy Under Secretary of State, October 1; and again with Mr. Dulles, October 8.

A Democratic Congress was elected, and though some 323 candidates (or about one third of those running) had been listed as signing the Zionist declaration, this did not bring the Zionists the revival of the good old halcyon days when no keys were needed to the White House, the doors being always left wide open by David Niles. Hence, guns were filled with new ammunition, and the sights shifted toward 1956.

SINCE the Spring of 1955, Harriman has been acting like a prospective Democratic presidential nominee. In a speech before the United Jewish Appeal in New York's Plaza Hotel, the Governor placed

the responsibility for Holy Land border tensions on Arab hostility. Secretary Dulles was assailed for not making clear to the Arabs that Israel "will be defended if necessary with overwhelming outside help." With this patent Truman-like bid for a mythical "solid Jewish vote," a fresh assault was being mounted against the State Department and the Eisenhower Administration for refusing to bow and scrape to Zionist demands.

Only three Presidents — Hayes, Wilson and Truman — have been elected since the Civil War without carrying the State of New York. Whether Stevenson, Harriman or Kefauver, the Democratic nominee will be intensely pro-Zionist.

In the event of the Arab-Israeli conflict becoming a major issue, the Republican Party may be driven into making vital concessions to the Zionists by the fear of losing New York's 45 electoral votes. This would be in line with hints imparted to Arab diplomats by Assistant Secretary of State George Allen and others to the effect that the present realities of the Middle East situation may require the United States to shift its stand on implementation of the United Nations' resolutions. The status of Jerusalem would, of necessity, be involved in such a shift.

The United Nations, in a thrice repeated resolution, has declared for the internationalization of the Holy City, which belongs equally to the cross, the crescent and the star. Yet Israel has been permitted to move all its Government offices from Tel Aviv and establish its capital in New Jerusalem. In November, 1954, both the new British and American Ambassadors presented their credentials to Israeli President Ishak Ben Zvi in Jerusalem rather than in the former seat of the Government

where foreign governments still maintained their embassies. In the House of Lords, the Archbishop of York, Dr. Cyril Forster Corbett, protested the action of the British Ambassador. In New York, the Catholic Near East Welfare Association, through Msgr. Thomas J. McMahon, warned the President in a telegram that the presentation of the credentials in Jerusalem may be "the opening wedge in recognizing New Jerusalem as Israel's capital."

The United States, Britain and Catholic countries hitherto have stood steadfastly for Jerusalem's internationalization. Acquiescence to the gradual whittling away of the resolution may be the price the Eisenhower Administration is willing to pay for the 45 electoral votes of New York. And the Senatorial ambitions of Attorney General Javits strengthens the bargaining power of the pro-Zionist forces within the Republican Party. The former Congressman told a Washington audience in May that the United States must enter into a mutual defense agreement with Israel so as to equalize the arms shipment to Iraq.

THE ability to exploit acts of alleged anti-Semitism enables Zionism to pose successfully as the recognized political spokesman of "the Jewish people" in Washington. The opposition of anti-Zionists falters, the doubts of non-Zionists fade as Jews close ranks in the face of each supposed new "Hitler." Through their widespread influence over information media, the hanging in Cairo last winter of two Egyptians found guilty in an open and fair trial of spying for Israel was portrayed as a crime akin to those perpetrated in Nazi Germany. The Anglo-Jewish press called for a period of mourning. The general press was filled with one protest after another from Jewish organizations. Barry

Gray, *New York Post* columnist and radio commentator, even went so far as to demand that the State Department put a stop to the Egyptian Embassy's distribution of pamphlets entitled the "Story of Zionist Espionage in Egypt," on the grounds that such activity "was intended to undermine the status of Jews in the United States."

The pressure that can be exerted by Zionism, aided and abetted by the Anti-Defamation League, is tremendous. On May 11, the Young Women's Republican Club of Westchester withdrew its invitation to Omar A. Khadra, Alternate Delegate to the United Nations from Saudi Arabia, to speak before their convention. This action, according to the President and other officers of the Club, was dictated by threats to picket the meeting and otherwise embarrass the organization. Mr. Khadra, incidentally, was going to address himself only to the culture and history of Saudi Arabia.

The local press picked up the story and editorially the *White Plains Reporter-Despatch* had this to say: "when the right of anybody to stand up and speak his mind hinges on what outfit has the most members or casts the most votes or wins a popularity contest, then, friends, you can kiss Democracy goodbye." Outside Westchester County, however, this unconscionable suppression of freedom of speech was not deemed important enough to be given notice by the press in general. Although it reflected adversely on the Republican Party, no Republican leader, not even the Attorney General, protested against this insult to a foreign visitor and delegate to the United Nations.

The kidnapping of Albert Einstein was one of the most successful coups pulled off by any political group anywhere. While alive, the late scientist had opposed the

creation of the state of Israel. Testifying before the Anglo-American Committee in January 1946, Dr. Einstein had said: "The State idea is not according to my heart. I cannot understand why it is needed. It is connected with narrowmindedness and economic obstacles. I believe that it is bad. I have always been against it."

In 1948, Einstein publicly and wholeheartedly supported the views of Dr. Judah Magnes, who favored the establishment of an Arab-Jewish binational state and attacked Zionist terrorism. In his book, *Out of My Later Years*, published in 1950, Professor Einstein expanded on his philosophy as follows: "I should much rather see a reasonable agreement with the Arabs on the basis of living together than the creation of a Jewish state. Apart from practical considerations, my awareness of the essential nature of Judaism resists the idea of a Jewish state with borders, an army, and a measure of temporal power, no matter how modest. I am afraid of the inner damage Judaism will sustain."

After his death, Israel's Consul in New York, through the *New York Times*, released a story to the effect that Dr. Einstein had intended to deliver a nationwide television speech in full support of the Israeli case against the Arabs. The *New York Times* page one story, which made a reference to a death-bed memorandum of the Professor (by its own admission there was a missing page), was the only testimony to contradict statements of Dr. Einstein made while he was alive in 1946, 1948, 1950 and 1952, all of which indicated his deep antipathy toward political Zionism. The Professor's expressions of deep sympathy for suffering humanity everywhere, including the people of Israel, in no way diminished his repugnance for Jewish na-

tionalism. The *New York Times* refused to publish any letter to the Editor contradicting their own version of the deceased Professor Einstein's position on the Middle Eastern question.

AT THIS time, World Zionism faces grave problems. In the United States, UJA funds are harder to raise, the Bond drive has passed its peak and governmental aid has been cut. In the Middle East, Israel is still surrounded by 900,000 Palestinian refugees and a hostile Arab world. The reprisal policy of Defense Minister David Ben Gurion which accounted for the attack of the Israeli armed forces at Gaza (Feb. 28, 1955) has not brought the Arab states to the peace table. This incident, in which thirty-eight Egyptians perished, led to a United Nations vote of censure and antagonized world public opinion, although American Jewry with an almost unanimous voice found excuses to justify the Israeli Gaza action as they had in the cases of the Kibya and Nahahlin actions before.

These setbacks, in the face of stepped up propaganda, only emphasize to Israel's supporters the importance of the approaching Presidential election. Their crying need is to find a President who will force the United States to force the Arab states to accept peace on Israeli terms.

If the Eisenhower Administration sincerely believes that the friendship of the Arab-Moslem world is worth regaining, immediate action is required to safeguard the small gains made in this direction. An agreement must be reached between the Republican and Democratic Parties to take

the Arab-Israeli issue out of domestic politics. The President has a sufficiently large following on foreign policy questions on the other side of the aisle to bring this about. It may be a debatable question whether bipartisan foreign policy is wise when applied to other areas of the world, but as far as the Middle East is concerned, it is bipartisanship or nothing at all. The alternative is a revival in 1956 of the 1953 New York City spectacle. Then Messrs. Wagner, Reigelman and Halley, in trying to outbid each other for the mythical "solid Jewish vote" conducted themselves more as candidates for Mayor of Tel Aviv than of New York. The politicians already have a wide enough range in which to carry on their damaging jousting without being permitted to complicate the most intricate problem of Arabs, Israelis, oil and American foreign policy.

Alfred M. Lilienthal has contributed to *HUMAN EVENTS*, *Reader's Digest*, *American Legion* and other magazines, and is the author of *What Price Israel?* He has long been a supporter of the anti-Zionist American Council for Judaism.

The story of the conflict over Israel within the American Jewish Community is told in a book, *What Price Israel?* by the author of the foregoing article. Mr. Lilienthal — a Jew — has felt the lash of Zionist criticism. Though his book is by no means a personal complaint, one can realize from what he tells of his experience with Zionists that the writing of it took some courage. The book tells of the pressures brought upon the American government to obtain its support for the establishment and maintenance of Israel. Whether there is a deliverable Jewish vote is open to question, says Mr. Lilienthal, but from Woodrow Wilson to Eisenhower the threat and the promise have been used effectively. Roosevelt and Truman were especially amenable. *What Price Israel?* is priced at \$3.95. Copies may be obtained from HUMAN EVENTS.

Additional copies of the 4-page Article: 6 for \$1; 10 for \$1.50; 50 for \$5.50; 100 for \$10; 500 for \$20; 1,000 for \$30.
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